



# MEMORANDUM

## COMMUNITY DEVELOPMENT DEPARTMENT

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**To:** North 40 Advisory Committee

**From:** Wendie R. Rooney, Director of Community Development

**Subject:** North 40 Advisory Committee Meeting Report

**Date:** August 17, 2012

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### BACKGROUND:

On August 15, 2012, the Advisory Committee (AC) completed its review and provided direction on Exhibits 5 and 6 of the North 40 AC report dated August 9, 2012. The AC also began discussions on Exhibit 8, the proposed Development Parameters. The AC requested additional information to assist with its discussion and decisions. This report contains all requested additional information, as listed in the following:

- Summary of agreements from August 15, 2012, AC Meeting
- Typical characteristics of Gen Y and Empty Nester residential products
- Discussion of methods to control single-family uses
- Student generation rates: Two sources: The Los Gatos General Plan EIR and the draft Los Gatos Union School District Student Population Projections (dated July 6, 2012)
- Acreage of existing development on the North 40

The report also contains Exhibits 12, 13, and 14 which contain a description of the typical characteristics of the Gen Y and Empty Nester residential product types, an excerpt from the Town's draft Affordable Housing Overlay Guidelines with the Cottage Cluster Housing Type, and correspondence from AC Member Matthew Hudes, respectively.

Staff is requesting specific AC input and direction on Exhibit 8, Page 1, the Development Parameters Primary Permitted Use Maximum Square footages (upper left hand corner purple box) and the Additional Limitations for Commercial (lower left hand purple box). Exhibits 12 and 13 are intended to provide additional background information to assist the AC with Exhibit 8 and any further discussion.

### DISCUSSION:

- **Summary of Agreements from the August 15, 2012, AC Meeting:** The following is a summary of the agreements from the August 15, 2012, meeting, which primarily focused on two exhibits (Exhibit 5 - District Map and Primary Land Use Summary Table and Exhibit 6 -

draft Development Standards). Item No. 13 agreement is based on the final exhibit that requires further input, Exhibit 8, the draft Development Parameters Table.

1. Three District concepts with overlay (similar to Lark and Los Gatos Boulevard) added to the Highway 17 side of the property and making the lines between the districts less precise (fuzzy, Ecotones) so that similar uses can be located on each side of a street that is at the edge of a District. Vote: 11/0
2. Not eliminating single-family as a use. Vote: 7/4
3. Not adding single-family uses to the Transition or Northern Districts. No vote taken, but general agreement reached.
4. Adding restaurant use to the list of uses allowed in the Lark District. Vote 11/0
5. Adding specialty market use to the list of uses allowed in the Northern District. Vote 11/0
6. Add a vision description in Specific Plan for each District and add a hierarchy of primary uses. No vote taken, but general agreement reached.
7. Proposed setback standards are fine. No vote taken, but general agreement reached.
8. Clarify that the additional 5 percent of open space required for the building height increase in the Transition District is "common green open space" and not private open space or parking lot. No vote taken, but general agreement reached.
9. Modify the office height requirement to read "Additional height may be allowed with a CUP approval in the Transition and Northern Districts." Vote: 6/5
10. Add additional finding to the height exception language to protect views. Vote 11/0

The finding could state: "Views of the hillside ridgeline shall be protected from adverse visual impacts by locating buildings to minimize impacts and provide view corridors. The visual impact of buildings or portions of buildings that can be seen from viewing platforms shall be mitigated to the greatest extent reasonable by reducing the height of the building or moving the structure to another location on the site. Providing landscape screening is not an alternative to reducing building height or selecting a less visible site" (Staff is recommending using this language from the Hillside Development Standards and Guidelines).

11. Add a policy to locate buildings greater than 35 feet in height in areas where the existing natural grade (using the existing Town Code definition for defining height) is lower than Los Gatos Boulevard. Vote 7/4



12. Private Open Space standard is fine with the following revisions: Replace the 100 sf. maximum requirement with 200 sf. maximum per unit on Ground Floor Private Open Space. Vote 10/1

13. Exhibit 8: Increase the office and hotel square footage to 125,000 each and decrease the residential square footage by 50,000 sf. Vote 10/1

- **Typical characteristics of Gen Y and Empty Nester residential products:** Exhibit 12 has been included to help the AC conceptualize the type of housing the North 40 Specific Plan encourages. This is an updated exhibit that was originally distributed to the AC in May. As the exhibit indicates, both of these residential product types respond to current trends and focus on the surrounding environment or the setting rather than the unit size, number of bedrooms, private yard space, and traditional single family type of neighborhoods near schools.

Developing standards and guidelines to encourage these types of residential product types will not guarantee that larger families will not locate in these units; however, the design, size, amenities (or lack of family-type amenities), ultimate residents, and the setting will attract the younger and older adult generations who want to simplify their lifestyle and live in an active mixed-use type of environment, and discourage families, particularly larger families.

- **Discussion of methods to control single family uses:** As noted in the aforementioned Agreements Summary, the AC discussed whether to remove single-family as a potential residential use. Ultimately, it was decided to retain the use. However, knowing that single-family uses may create potential impacts on the schools and that some AC members question whether single-family is an unmet need, staff has identified some options for the AC to consider that may help to further guide any potential single-family applications.

1. Disallow detached single-family uses all together.

2. Add a policy that discourages single-family detached products and describe in the Lark District Vision Section of the Specific Plan. This policy, in addition to existing draft Land Use Policy LU8 (Exhibit 4, Page 1), will encourage senior, empty nester, and Gen Y housing types while not absolutely disallowing single-family, but providing strong guidance to the applicant, staff and decision-makers on appropriate housing types.

3. Limit detached single-family use to the Cottage Cluster product types on lots no greater than 2,500 sf. and 1,200 sf. total floor area. Please see Exhibit 13, which is an excerpt from the Town's draft Affordable Housing Overlay Zone Guidelines. The Cottage Cluster residential product is oriented towards the senior or empty nester consumers. The very small unit and lot size preclude significant private yard space, and the lack of amenities, such as attached garages, would further dissuade families from occupying the units.

- **Student generation rates: Two sources: The Los Gatos General Plan EIR and the draft Los Gatos Union School District Student Population Projections (dated July 6, 2012):** During the August 15, 2012, AC meeting, discussion ensued regarding the potential student generation from the North 40. The following summarizes two separate processes that the Town and the Los Gatos Union School District used to derive student population projections for the Town, including the North 40.

Town 2020 General Plan EIR Student Generation Rates: The first set of data is from the Town's adopted 2020 General Plan EIR. This data was developed in 2010, using both Los Gatos Union School District (LGUSD) and Los Gatos-Saratoga Joint Union High School District (LGSJUHSD) actual enrollment and some data from another high performing school district. The General Plan EIR data is based on housing types, including single-family detached, attached (condominiums and townhomes), apartments, below market rate apartments, and integrated mixed use. Since the Town did not have any large developments that were exclusively below market rate apartments and integrated mixed use to survey, this data was derived from the Irvine School District.

The following student generation rates per household type were obtained by overlaying the LGUSD and LGSJUHSD 2009/10 student enrollment (addresses and number of students per address) on large samples of attached residential product types in the Town. Approximately 1,500 units in Los Gatos were surveyed for the attached and apartment product types and the results are as follows (single-family was based on Los Gatos demographics, and was prepared by Davis Demographics):

Student Generation Rate per Household Type

Dwelling Type	Grades		
	K-5	6-8	9-12
Single Family	0.235	0.131	0.208
Attached (Townhouse and Condominium)	0.081	0.048	0.055
Apartments	0.086	0.041	0.075

Based on the current proposal in Exhibit 8 of 400 residential units, if the units were a combination of attached product types (Townhouse and Condominium), the development would generate 74 children in grades K through 12 at any given time once all residential product types were built and occupied, which would be in a timeframe of 2015 to 2020. This same number of single-family units (400) would generate 230 children in grades K through 12.

LGUSD draft Student Population Projections for 2012/13 to 2021/22: In July 2012, the LGUSD released a recently prepared Student Population Projections for 2012/13 to 2021/22. This report assumes four different projection assumptions, including Projection A (No future development), Projection B (Only development that has been approved), C (All development in B + development in early planning stages, including the North 40, but a 50% of maximum built-out), and D (All of Projection C, but at 100% built-out). The study further used



existing development to define the generation rates. This included Bersano Lane to represent single-family, Creekside Village to represent an attached product and Riviera Apartments for apartment housing type. The report categorizes the North 40 in the Creekside Village product category, and based on this classification indicates that the North 40 would generate 53 K-12 children by 2022 for Projection C and 106 K-12 children by 2022 for Projection D.

- **Acreage of existing development on the North 40:** The following table provides the existing uses on the North 40 Specific Plan property. The list includes the Assessor's Parcel Number, Address, Property Square Footage, Use Category, and the existing Use. There are approximately 221,285 sf. of property developed with commercial uses and 158,111 sf. of property developed with residential uses. Please note that the table lists the parcel or lot size and not actual floor area.

APN	Address	Property SF	Category	Use
424-07-060	15171 Los Gatos Blvd.	13,504	Commercial	Gas Station
424-07-096	15055 Los Gatos Blvd.	69,260	Commercial	Office
424-07-099	15047 Los Gatos Blvd.	39,640	Commercial	Office
424-07-085	15011 Los Gatos Blvd.	39,204	Commercial	Office/Car Rental
424-07-086	15043 Los Gatos Blvd.	27,443	Commercial	Boulevard Tavern
424-06-129	14777 Los Gatos Blvd.	32,234	Commercial	Office/Commercial
	<b>Total Commercial</b>	<b>221,285 (5.08 acres)</b>		
424-07-090	15133 Los Gatos Blvd.	10,890	Residential	
424-07-034	16394 Bennett Way	6,523	Residential	
424-07-036	16378 Bennett Way	6,534	Residential	
424-07-037	16370 Bennett Way	6,534	Residential	
424-07-052	16270 Burton Rd.	18,731	Residential	Non-Conforming Kennel
424-07-064	14849 Los Gatos Blvd.	40,946	Residential	
424-07-010	16240 Burton Rd.	10,890	Residential	
424-07-054	16210 Burton Rd.	10,890	Residential	
424-07-063	14831 Los Gatos Blvd.	29,185	Residential	
424-07-065	14823 Los Gatos Blvd.	16,988	Residential	
	<b>Total Residential</b>	<b>158,111 (3.63 acres)</b>		

#### NEXT STEPS:

Staff is requesting specific AC input on Exhibit 8 (Page 1). This document as well as Exhibits 5 and 6, as amended by the August 15, 2012, AC input, will serve as the foundation on which the plan is developed. Based on AC direction from this final August meeting, staff and consultants would begin preparing the draft North 40 Specific Plan and the accompanying EIR. The draft Specific Plan would be completed in early 2013, at which time the AC would be reconvened for a series of meetings to review the draft plan and provide a recommendation to the Planning

Commission and Town Council. The final draft plan, following the AC's review, and the EIR would be completed in the spring of 2013, and formal Planning Commission and Town Council hearings in late spring or early summer 2013.

Exhibits:

**Previously Distributed with August 15, 2012 AC Agenda Packet**

1. North 40 Advisory Committee Land Use Discussion Summary  
Attachment A - Los Gatos CH Zone Development Standards
2. North 40 Vision Statement
3. North 40 Draft Document Excerpt
4. North 40 Draft Goals and Policies
5. North 40 Draft District Map
6. North 40 Draft Development Standards
7. Los Gatos Boulevard Business Distribution
8. North 40 Draft Development Parameters Table
9. Letter from Don Capobres, Senior Vice President, Development, Grosvenor

**Previously Distributed with August 15, 2012 Desk Item**

10. Public Comments
11. Public Comments

**Distributed with this Report**

12. Gen Y and Empty Nester Residential Design Summary
13. Excerpt from the Draft Affordable Housing Overlay Guidelines - Cottage Cluster Residential Product Type
14. Correspondence from AC Member Matthew Hudes



## Generation Y and Empty Nester Design Summary

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**Gen Y** - The generation born between 1981 - 1999 (13-31 years old) - now larger than the baby boomer generation.

Gen Y residential/neighborhood design focuses on the wants and needs of the 20–30 year old. There are numerous articles written about Gen Y and the ways that new development can attract this demographic. Below is a summary of key points of what Gen Y is looking for in their living spaces and neighborhoods:

- Smaller household sizes (more married couples without kids, more people living alone, and more single parents)
- Smaller units of 800 – 1,200 sf, with some larger units of approximately 1,500 sf, featuring loft characteristics
- Loft characteristics include: Open floor plan; few, if any, bedrooms; unfinished character (exposed ductwork, brick; industrial look)
- Affordable studio units with ample common areas for socializing
- Denser neighborhoods - this generation is more ethnically diverse and more comfortable in denser housing alternatives
- Urban/infill locations or suburban mixed-use neighborhoods as they seek more activity and a sense of place
- Lifestyle amenities nearby: large coffee shops like Kreuzberg or Starbucks, entertainment, music, technology, theaters, restaurants, shopping, parks, nightlife, wine bars
- Cultural activities
- Walkable distance to services, activities, jobs, and transit
- Lively and vibrant neighborhood
- Amenities within living complex: common gathering areas, clubhouse, barbecue area, common gardens, fitness center, pool, hot tub, tanning beds, wine bar
- Safe
- Affordable
- Stairs are acceptable as opposed to elevators
- Architectural Design: flexible spaces (rooms that can be utilized for office, entertainment or sleeping) authentic, tall ceilings, environmentally friendly design elements, sunny protected plaza spaces, modern design elements, technologically advanced, environmentally efficient)

## Generation Y and Empty Nester Design Summary

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### **Baby Boomers** - the generation born between 1946 - 1964 (48-66 years old)

Residential design focused on attracting the 'empty nester' or move-down residential is a current trend for new development. The baby boomer generation is diverse and no one product type will suit their needs. Evidence suggests that as baby boomer households mature, a greater number of them will be interested in more housing options that are oriented towards smart growth principles, (a North 40 guiding principle in the 2020 General Plan). The trends suggest that baby boomers want:

- Smart Growth developments in the suburbs. Despite speculation that a large number of maturing baby boomers will return to urban areas when they reach retirement age, the data suggests that only 11 percent of retirement-aged suburbanites have moved back to central cities. There is a greater tendency for baby boomers that are interested in being close to urban amenities to stay in the suburbs so there will be demand for Smart Growth developments in the suburban communities.
- Luxury move-down units
- On the luxury end, larger units ranging from 1,500 to over 2,000 sf; moderately priced housing could be smaller in size
- Stacked flats
- Elimination of stairs
- Low-maintenance balconies/terraces instead of yards
- Places where baby boomers can meet new friends, have a social life, live healthier, be close to essential services, and have low-maintenance housing. In a traditional retirement setting, the community center serves this purpose. In a smart growth setting a plaza, coffee shop, or bookstore will satisfy more sophisticated interests
- Walkable neighborhoods with public transit
- Affordable housing and services
- Access to quality health care
- Opportunities for continuing education, culture, and an active lifestyle
- Access to passive open space and trails
- Multi-generational settings



## Generation Y and Empty Nester Design Summary

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### How does design attract Gen Y and Baby Boomers instead of families?

There is an art to designing residential products to target certain generations. The desirable design characteristics are ever-evolving. Some current trends include:

- Design of units (e.g., families want attached vs. detached units; yard vs. patio/terrace, direct access to yards vs. elevators – ease of access for riding a bike, playing outside, etc.)
- Size of units – typically for both the Gen Y and Baby Boomers, the units are smaller than those required for families; however, there are some hip Gen Y loft products and higher-end Baby Boomer products designed with larger footprints.
- Garage access – families prefer garages connected directly to homes (for storage, child safety, infant carrier, ease of access, unloading groceries, etc.)
- Density - higher density products (stacked flats) are not good for families due to noise issues (children running and playing in flats)
- Common amenities within complex (tot lots vs. wine bar)
- Amenities in the locale (nightlife, personal service and recreation vs. schools, parks and grocery stores)





Cottages around a central courtyard with three carriage units above rear alley garages (37 units/acre)

### COTTAGE CLUSTER HOUSING

#### Characteristics

Cottage Cluster Housing is a collection of small houses arranged around one or more common open spaces or courtyards. Units are smaller than typical single family homes with floor areas of 1,200 square feet or less. Parking is provided in consolidated parking lots and/or in garages served by alley access.

#### Typical Densities

- 15 - 25 DU/acre



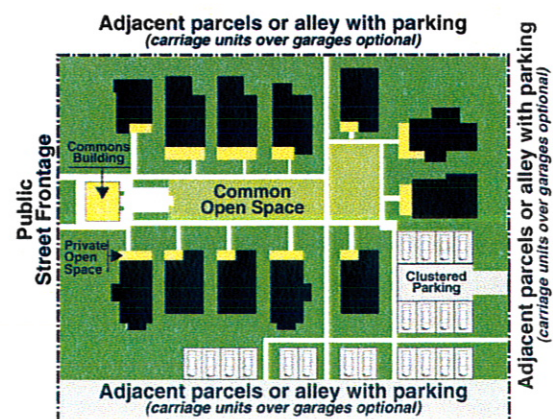
Cottages around a central courtyard with a commons structure



Cottages around a central courtyard



Street facade of the 9-unit cottage cluster shown in the aerial photo above



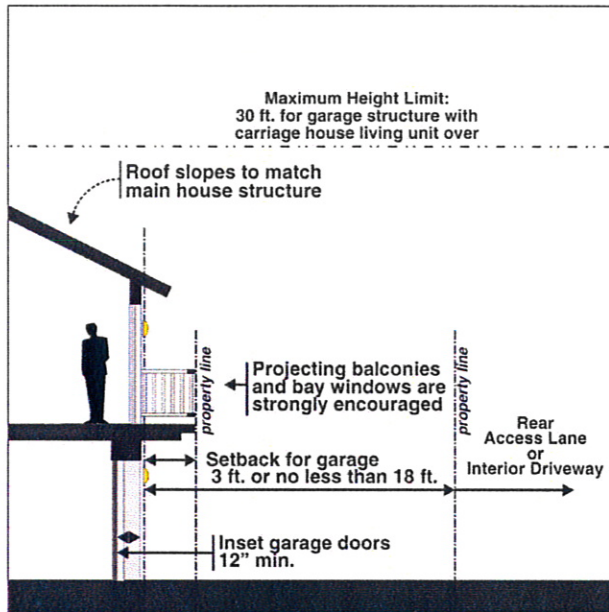
Cottage housing site plan example



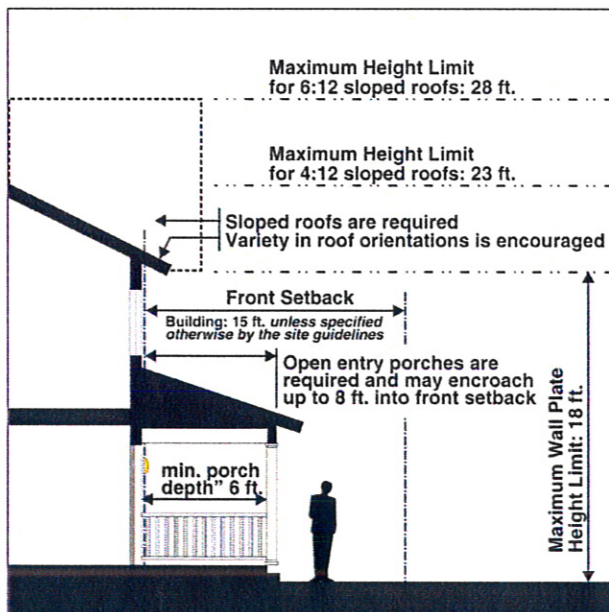
## DESIGN GUIDELINES

## 2 COTTAGE CLUSTER HOUSING

DEVELOPMENT STANDARDS	Building Placement
DESIGN OBJECTIVES	<ul style="list-style-type: none"> <li>• Setbacks and lot coverage standards to conform to the Town's RM standards except as specified below.</li> <li>• Front yard setback on public or interior streets: 15 ft. or as noted in the site development guidelines.</li> <li>• Cottages shall be oriented around and have their main entry from a Common Open Space. Structures facing public streets must have equally articulated facades on both the street and courtyard facades.</li> <li>• Cottages shall be within 60 feet walking distance of a Common Open Space.</li> </ul>
<ol style="list-style-type: none"> <li>1. Provide a housing type that responds to changing household sizes and ages (e.g., retirees, small families, single person households).</li> <li>2. Mitigate increased density by ensuring that the overall size, bulk and mass of cottage structures remains smaller and creates less visual impact than an equal number of standard sized single-family dwellings.</li> <li>3. Provide centrally located and functional common open space that fosters a sense of community and a sense of openness.</li> <li>4. Provide private area around the individual dwellings to enable diversity in landscape design and foster a sense of ownership.</li> <li>5. Ensure minimal visual impact from vehicular use and storage areas for residents.</li> <li>6. Maintain a single-family character along public streets.</li> <li>7. Provide well designed forms, facade articulation, materials use, and architectural details around all sides of the structures.</li> </ol>	Open Space
<b>Lot Size</b>	<ul style="list-style-type: none"> <li>• Subject to the following Town of Los Gatos Zoning Code sections: <ul style="list-style-type: none"> <li>* Sec. 29.10.065 Recreational open space for residential condominiums.</li> <li>* Sec. 29.40.660 Recreational open space for multifamily dwellings.</li> </ul> </li> <li>• A minimum of 125 sq. ft. of the required private use open space shall be adjacent and oriented to the common use open space, and shall have no dimension less than 5 ft. on any one side.</li> </ul>
<ul style="list-style-type: none"> <li>• Minimum lot area per dwelling unit: 1,600 sq. ft.</li> </ul>	Height
<b>Unit Size</b>	<ul style="list-style-type: none"> <li>• Wall Plate Height: 18 ft. strongly encouraged</li> <li>• All parts of the roof above 18 feet should be pitched.</li> </ul>
<ul style="list-style-type: none"> <li>• Subject to Architecture and Site Review.</li> <li>• Maximum Second Floor Area: 50% of the area of the main level.</li> <li>• Attached garages shall be included in the calculation of total floor area.</li> <li>• Attached roofed porches and architectural projections (e.g., bay windows, fireplaces) not greater than 18" in depth and 6 ft. wide are not included in the total floor area.</li> </ul>	Entries
<b>Lot Coverage</b>	<ul style="list-style-type: none"> <li>• Porches are required with a minimum area of 60 sq. ft. and depth of 6 ft.</li> </ul>
<ul style="list-style-type: none"> <li>• 40% maximum..</li> </ul>	Parking
	<ul style="list-style-type: none"> <li>• 0 - 1 bedroom units: 1 spaces per unit.</li> <li>• 2 - 3 bedroom units: 2 spaces per unit.</li> <li>• 4+ bedroom units: 2 ½ spaces per unit.</li> <li>• Tandem spaces are allowed.</li> <li>• Parking may not be located between cottages.</li> </ul>

COTTAGE CLUSTER HOUSING **2**

Cottage Cluster Carriage House guidelines



Cottage Cluster frontage guidelines



Cottage Cluster Housing example



## DESIGN GUIDELINES

## 2 COTTAGE CLUSTER HOUSING

### DESIGN GUIDELINES

#### Site Development

1. Orient unit entries to common open spaces.
2. Limit carriage units over garages to one unit for each four regular cottage units.
3. Avoid fences over three feet tall along public street frontages.
4. Link internal unit entries to adjacent streets with clear open space and pedestrian circulation networks.
5. Limit all fences on the interior of the parcel to 3 ft. in height.
6. Provide landscape screening, which may include a fence up to 6 ft. in height, as a visual buffer along property lines of any adjacent residentially zoned lots.

#### Massing and Articulation

1. Pitched roofs are required for all structures, and should include the use of varied pitched roof styles, gables and dormers.
2. Architectural features (e.g., bay windows, chimneys, canopies, cornices, awnings) are encouraged.
3. Projecting roof eaves of at least 18" are required
4. Wrapping porches around to side elevations is strongly encouraged on corner lots.
5. Structures should be varied in height, size, proportions, orientation and roof lines.
6. For every eight units, at least two basic floor plans should be used.
7. Facades facing street frontages and common open spaces should have windows and doors that comprise at least 25% of the facade area.
8. Carry wall materials, window types and architectural details around all sides of the house. Avoid side and rear elevations that are markedly different from the front elevation.

#### On Site Parking

1. Locate parking to the rear of the parcel or on a non-street side.
2. Parking may be provided in small groupings of surface lots, carports, garages or a combination of the above.
3. Garage doors should feature windows, recesses, and/or moldings to help blend the garages with the character of the house
4. For dimensional standards not referenced, refer to the Town Code.

#### Architectural Details

1. Structures must include building articulation, changes in materials or textures, or other architectural features as summarized below:
  - Horizontal and vertical wall plane changes
  - Varied roof forms and orientations
  - Bay windows
  - Roof Dormers
  - Material and color changes
  - Applied decorative features.
  - Roof segments over windows
  - Pot rails
  - Metal or wood balcony railings
  - Planter boxes and plant rings



**From:** Matthew Hudes [mhudes@comcast.net]  
**Sent:** Thursday, August 16, 2012 4:07 PM  
**To:** Wendie Rooney; Jessica von Borck  
**Subject:** Some thoughts about retail

As you know, I continue to be concerned about the impact of a large retail center in the North 40 on the vibrancy of downtown. I understand from our last conversation that we do not have the time or budget to include a thorough Economic Balance Analysis in the North 40 Specific Plan. However, I think that it is appropriate that the Specific Plan provide some tools for managing the impact on the rest of the Town as it is implemented, even if the analysis is not included in the plan itself.

It looks to me that the current proposal would create a shopping center that is 82% of the size of the entire Los Gatos Blvd business district. I believe that an addition of this much will have a substantial impact on the boulevard, and more importantly, on downtown. Looking at the current proposal in the specific plan of 400,000 square ft. commercial, by applying similar distribution of types of commercial, it appears that there could be up to 309,000 sq. ft. of new space that could provide the same type of shopping that exists in downtown.\* To some degree, by regulating individual store size, more diversity could be encouraged and some duplication could be avoided, but I would suggest that we include in the Specific Plan another mechanism to understand the impact.

As we discussed, I think it is important to include an Economic Balance Analysis in the application from the developer. We could specify that this be performed or paid for by the applicant and reviewed by the appropriate Town bodies during the application process. I understand that the EIR would look at decay, but from what I understand of that analysis, it is less rigorous and less specific to the particular economic issues that we could face in Los Gatos. That is why I am suggesting that this analysis be required of the applicant. The key elements of the Economic Balance Analysis would include 3 elements:

1. Potential economic activity that could be generated in the N40 (addressed to some degree by the "leakage" analysis)
2. Potential economic activity, both positive (synergies) and negative, in adjacent and proximate areas, as a result of activity in the N40
3. Potential economic activity, both positive and negative, in the downtown, as a result of activity in the N40

As with any of these type of exercises, it is important to look at probabilities and timing, i.e., "How much? How sure? How soon?". Essentially, in order to understand the impact, we need to understand how increasing capacity by X% may have Y probability of Z impact on existing comparable businesses within a specified distance.

Of course, the Town planners and consultants are much more experienced than I am in the best way to accomplish this, so I offer the suggestion as a way to open up thinking about ways that the North Forty Specific plan can address this substantial issue. I look forward to an appropriate way to discuss this at the next North 40 meeting.

Regards,  
Matthew

\*309,000 sq ft. is calculated by factoring the total commercial maximum of 400,000 by equivalent commercial using the existing sq. ft. on Los Gatos Blvd, excluding categories of personal services, office, and general services. (Used attachment "Business Distribution of Los Gatos Blvd")